

Before the
FEDERAL COMMUNICATIONS COMMISSION
 Washington, D.C. 20554

MAY 30 1998

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|---------------------------------|---|----------------------|
| In the Matter of |) | |
| |) | |
| Federal-State Joint Board on |) | CC Docket No. 96-45 |
| Universal Service |) | |
| |) | |
| Forward-Looking Mechanism for |) | CC Docket No. 97-160 |
| High Support for Non-Rural LECs |) | |
| |) | |
| Comments on High Cost Proposals |) | DA 98-715 |

REPLY OF AMERITECH

Ameritech¹ submits this reply to comments on the Common Carrier Bureau's Public Notice in the above-captioned matter.²

Numerous parties filed comments on the various high cost funding proposals. Many of those parties simply advocate proposals solely on the basis of the economic impact on them particularly, without regard to larger principles. Although comments of this nature contribute to the level of "noise" in the debate, they add very little substance.

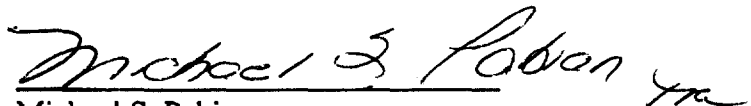
In its careful attention to this matter, therefore, the Commission should, of course, keep its eye on the "big picture." As Ameritech noted in its comments, the Chairman's "8 Principles" for universal service provide a solid framework for analyzing the various proposals. Maintaining

¹ Ameritech means: Illinois Bell Telephone Company, Indiana Bell Telephone Company, Incorporated, Michigan Bell Telephone Company, The Ohio Bell Telephone Company, and Wisconsin Bell, Inc.

² Public Notice, DA 98-715 (released April 15, 1998).

support for rural carriers, recognizing the states' role in furthering universal service, ensuring competitive neutrality, and encouraging efficient investment, are all necessary aspects of a universal service funding plan that will not compromise other public policy interests. Again, the Commission's 25% plan, modified to permit rural carriers to continue to recover the interstate high cost support that they receive today (without offsetting reductions to their access charge levels), best fulfills those principles.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Michael S. Pabian". The signature is fluid and cursive, with a horizontal line drawn underneath the name.

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Dated: May 29, 1998
[MSP0141.doc]

CERTIFICATE OF SERVICE

I, Todd H. Bond, do hereby certify that a copy of the foregoing Reply of Ameritech has been served on the parties listed on the attached service list, via first class mail, postage prepaid, on this 29th day of May, 1998.

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